

AUGUST 27, 1979

THE DIRECTOR OF THE DIVISION OF STATE LANDS TOOK FORMAL ACTION ON AUGUST 27, 1979 AT 10:00 A.M. IN THE STATE LAND OFFICE, ROOM 411, EMPIRE BUILDING, 231 EAST 400 SOUTH, SALT LAKE CITY, UTAH 84111, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

ACREAGE CORRECTION - OIL, GAS AND HYDROCARBON LEASE

gB

ML 34479 This Oil, Gas and Hydrocarbon lease was approved August 15, 1977, with a total acreage of 640.24; however, the correct acreage on this lease is 630.24. Upon recommendation of Mr. Blake, the Director approved this correction of acreage.

MINERAL LEASE ASSIGNMENTS

TOTAL ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES

gB

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon lease listed below to John R. Anderson and J. Floyd Hatch, 1437 Beneficial Life Tower, Salt Lake City, Utah 84111 by Ida Lee Anderson. No override.

LEASE OWNERSHIP: Ida Lee Anderson

ML 34824....T29S, R14W, Sec 32: A11; T29S, R15W, Sec 36: A11;
T30S, R15W, Sec 2: A11 1949.20 acres Beaver

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon lease listed below to W. John Holt, 3092 Cascade Way, Salt Lake City, Utah 84109 by John R. Anderson, & J. Floyd Hatch, who reserves 3% overriding royalty. The State assumes no responsibility in collecting or reserving overriding royalty.

LEASE OWNERSHIP: John R. Anderson & J. Floyd Hatch

ML 34824....T29S, R14W, Sec 32: A11; T29S, R15W, Sec 36: A11
T30S, R15W, Sec 2: A11 1949.20 acres Beaver

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon lease listed below to Cities Service Company, P.O. Box 300, Tulsa, Okla 74102 by W. John Holt. No override, but subject to 3% previously reserved overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: W. John Holt

ML 34824....T29S, R14W, Sec 32: A11; T29S, R15W, Sec 36: A11
T30S, R15W, Sec 2: A11 1949.20 acres Beaver

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon lease listed below to Cities Service Company, P.O. Box 300, Tulsa, OK 74102 by Milan S. Papulak, who reserves 4% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Milan S. Papulak

ML 35693....T9N, R7W, Sec 31: Bed of Great Salt Lake 37.35 acres Box Elder

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TOTAL ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES CONTINUED

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leasea listed below to Cities Service Company, 1600 Broadway, Denver, CO 80202 by Utah Resources International, Inc., who reserves 4% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Utah Resources International, Inc.

All leases in the Bed of the Great Salt Lake

ML 35347....T4N, R2W, Secs 33, 34, 35, 36	1586.60 acres	Davis
ML 35348....T4N, R3W, Secs 20, 21, 28, 33	2477.87 acres	Davis
ML 35417....T1N, R2W, Secs 6;		Salt Lake and
T2N, R2W, Secs 25, 26, 31, 32, 33	2389.63 acres	Davis
ML 35422....T2N, R3W, Sec 3: E $\frac{1}{2}$; Sec 10: E $\frac{1}{2}$; Sec 15: E $\frac{1}{2}$;		
Secs 22, 27, 34	1286.67 acres	Davis
ML 35423....T2N, R3W, Secs 29, 32, 33	1090.46 acres	Davis
ML 35920....T2N, R2W, Secs 34, 35	511.90 acres	Salt Lake

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon lease listed below to Cities Service Company, P.O. Box 300, Tulsa, OK 74102 by Hal A. McVey, who reserves 2% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Hal A. McVey

ML 35989....T42S, R19W, Sec 2: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All)	1920.44 acres	
Secs 16, 32: All		Washington
ML 35990....T42S, R20W, Sec 2: Lots 1-6, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ (All)		
Sec 36: All	1015.21 acres	Washington
ML 35991....T43S, R9 $\frac{1}{2}$ W, Sec 32: Lots 1-4, W $\frac{1}{2}$ NW $\frac{1}{4}$	221.70 acres	Washington
ML 35992....T43S, R10W, Sec 2: All; Sec 32: Lots 1, 2		
Sec 36: Lots 1-4, N $\frac{1}{2}$	1182.33 acres	Washington
ML 35993....T43S, R11W, Sec 2: All, Sec 5: E $\frac{1}{2}$		
Sec 16: NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$		
Sec 32: Lots 1-4	1348.76 acres	Washington
ML 35994....T43S, R12W, Secs 2, 16; Sec 32: Lots 1-4, N $\frac{1}{2}$		
Sec 36: Lots 1-4, N $\frac{1}{2}$	2226.84 acres	Washington
ML 35995....T43S, R17W, Sec 16: All; Sec 32: Lots 1-4, N $\frac{1}{2}$		
Sec 36: Lots 1-11, NW $\frac{1}{4}$	1460.17 acres	Washington
ML 35996....T43S, R19W, Secs 2, 16; Sec 32: Lots 1-4, N $\frac{1}{2}$		
Sec 36: Lots 1-4, N $\frac{1}{2}$	2022.84 acres	Washington
ML 35997....T43S, R20W, Sec 2: Lots 1-4, E $\frac{1}{2}$;		
Sec 36: Lots 1-4, N $\frac{1}{2}$	716.71 acres	Washington
ML 36003....T12S, R5W, Sec 2: S $\frac{1}{2}$, NE $\frac{1}{4}$, Sec 10: N $\frac{1}{2}$ SW $\frac{1}{4}$;		
Sec 20: S $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$		
Sec 21: NW $\frac{1}{4}$ NW $\frac{1}{4}$, Secs 32, 36	2163.68 acres	Juab
ML 36004....T20S, R14E, Sec 32: All	640.00 acres	Emery
ML 36005....T21S, R7E, Sec 30: NW $\frac{1}{4}$ NE $\frac{1}{4}$	40.00 acres	Emery
ML 36006....T21S, R14E, Sec 2, 16: All	1636.00 acres	Emery
ML 36007....T21S, R15E, Sec 19: SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, Lots 3, 4		
Sec 20: S $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$	565.97 acres	Emery

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to Marathon Oil Company, P.O. Box 120, Casper, WY 82602 by Larry E. Clark. No override.

LEASE OWNERSHIP: Larry E. Clark

ML 34259....T18S, R8E, Sec 1: S $\frac{1}{2}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, Part of the NE $\frac{1}{4}$	217.00 acres	
		Emery

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TOTAL ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES CONTINUED

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to Cities Service Company, 1600 Broadway, Denver, CO 80202 by Utah Resources International, Inc., who reserves 4% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Utah Resources International, Inc.

All leases in the Bed of the Great Salt Lake

ML 35412....T2N, R2W, Secs 9,11	1280.00 acres	Davis
ML 35413....T2N, R2W, Sec 13,15	1280.00 acres	Davis & Salt Lake
ML 35415....T2N, R2W, Secs 21,23	1280.00 acres	Davis & Salt Lake
ML 35416....T2N, R2W, Secs 27, 29	1362.01 acres	Davis & Salt Lake
ML 35420....T2N, R3W, Secs 25,35,	1480.00 acres	Davis

ASSIGNMENT OF OVERRIDING ROYALTY - OIL, GAS AND HYDROCARBON LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of 1.750% overriding royalty in the Oil, Gas and Hydrocarbon lease listed below to Hiko Bell Mining & Oil Co., P.O. Drawer AB, Vernal, Utah 84078 by Lawrence C. Caldwell II. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Cities Service Company
Lawrence C. Caldwell II -- 3½% overriding royalty

.....ML 30315

Upon recommendation of Mr. Prince, the Director approved the assignment of 4% overriding royalty in the Oil, Gas and Hydrocarbon leases listed below to Wyoming National Bank of Casper, P.O. Box 2799, Casper, WY 82602 to be held on the basis of an undivided one-half interest designated as the "Jane Elizabeth Chorney Trust" and the other undivided one-half interest designated as the "Jacqueline Eve Chorney Trust No. 1" by Joan Chorney

LEASE OWNERSHIP: Pacific Transmission Supply Co. et al
Joan Chorney - 4% overriding royalty

ML 27982....ML 28042....ML 28045....ML 28048

TOTAL ASSIGNMENTS - METALLIFEROUS MINERALS LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of the Metalliferous Minerals leases listed below to Phillips Uranium Corporation, P.O. Box 26236, Albuquerque, N. Mex 87125 by Spenst M. Hansen, who reserves 2½% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Spenst M. Hansen

ML 35640....T24S, R3W, Sec 36: W½	320.00 acres	Sevier
ML 35641....T25S, R4W, Sec 2: N½NE¼	79.87 acres	Sevier
ML 35644....T25S, R3W, Sec 29: W½SW¼	80.00 acres	Sevier
ML 35645....T25S, R4W, Sec 36: N½, N½SW¼, SW¼SW¼	440.00 acres	Sevier
ML 35696....T24S, R4W, Sec 36: All	640.00 acres	Sevier
ML 35697....T25S, R4W, Sec 2: N½NW¼, SW¼NW¼, NW¼SW¼	160.00 acres	Sevier
ML 35699....T25S, R3W, Sec 2: E½, E½SW¼, SW¼SW¼, SE¼NW¼	480.13 acres	Sevier
ML 35801....T26S, R4W, Sec 2: All	640.00 acres	Sevier
ML 36082....T25S, R3W, Sec 30: E½NE¼SE¼	20.00 acres	Sevier

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TOTAL ASSIGNMENTS - METALLIFEROUS MINERALS LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of the Metalliferous Minerals leases listed below to Pioneer Uranium, Inc., P.O. Box 151, Amarillo, TX 79105 by The Anaconda Company, who reserves $1\frac{1}{2}\%$ overriding royalty. The State assumes no responsibility in collecting overriding royalty.

LEASE OWNERSHIP: The Anaconda Company.

ML 32440....T22S, R15E, Sec 2: A11	701.44 acres	Emery
ML 32441....T22S, R15E, Sec 16: A11	640.00 acres	Emery

Upon recommendation of Mr. Prince, the Director approved the assignment of the Metalliferous Minerals leases listed below to Edward M. Barge and Ronald W. Driscoll, P.O. Box 6, Durango, CO 81301 by Freeport Exploration Company. No override.

LEASE OWNERSHIP: Freeport Exploration Co.

ML 32678....T40S, R23E, Sec 16: A11	640.00 acres	San Juan
ML 32679....T39S, R23E, Sec 32: A11	640.00 acres	San Juan

INTEREST ASSIGNMENTS - METALLIFEROUS MINERALS LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of 25% interest in the Metalliferous Minerals leases listed below to Milan S. Papulak, 281 East 2050 South, Bountiful, Utah 84010 by Falcon Enterprises, Inc. No override.

LEASE OWNERSHIP: Falcon Enterprises, Inc.

ML 35027....T14S, R13W, Sec 2: A11	640.00 acres	Juab
ML 35028....T14S, R12W, Sec 2: A11	640.00 acres	Juab
ML 35029....T13S, R10W, Secs 16,32: A11	1280.00 acres	Juab

Upon recommendation of Mr. Prince, the Director approved the assignment of 75% interest in the Metalliferous Minerals leases listed below to Quantex Corporation, 25%; Falcon Enterprises, Inc. 25%; Manhattan Resources, Inc., 25%, 57 West South Temple, Suite 450, Salt Lake City, Utah 84101. No override.

LEASE OWNERSHIP: Milan S. Papulak

ML 36709....T29S, R17W, Secs 2,16,32,36	2561.44 acres	Beaver
ML 36710....T27S, R17W, Sec 32: A11; T28S, R17W, Sec 1: SE $\frac{1}{4}$ SE $\frac{1}{4}$, Sec 2: A11	1318.96 acres	Beaver

SUBLEASE OF SAND AND GRAVEL LEASE

Upon recommendation of Mr. Prince, the Director approved the sublease of the Sand and Gravel lease listed below to Staker Paving & Construction Company Bart J. Bailey, Attorney, 1200 Beneficial Life Tower, Salt Lake City, Utah 84111 by Glen M. Wasden. No override.

LEASE OWNERSHIP: Glen M. Wasden.

ML 26643....T2S, R4W, Sec 14; W $\frac{1}{2}$ SW	78.00 acres
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AUGUST 27, 1979

AMENDMENT OF ACREAGE

ML 29913

Oil, Gas, and Hydrocarbon Lease ML 29913 was issued November 12, 1979. The acreage shown on the application which was approved and is on the lease is 639.95 acres; however, the lease description covers only 559.95 acres.

Upon recommendation of Mr. Prince, the Director approved the correction of acreage on ML 29913 and the excess rental in the amount of \$480 be refunded to the lessee.

RELINQUISHMENTS OF METALLIFEROUS MINERALS LEASES

Chevron, USA, Inc., lessee under the metalliferous minerals leases listed below, has filed relinquishments of these leases. These leases should be terminated, and the lands should be offered for lease by simultaneous filing.

ML 34450	T13S, R7W, SLM. Section 32 - All Section 36 - All	1280.00 acres
ML 34452	T14S, R7W, SLM. Section 2 - Tract 37 (All) Section 16 - All Section 36 - All	1921.92 acres
ML 34453	T14S, R7W, SLM. Section 30 - Lots 5, 6, 7, 8, E $\frac{1}{2}$ W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 31 - Lots 6, 7, 10, 11, 12, E $\frac{1}{2}$ W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$ Section 32 - Tract 38 (All)	1691.64
ML 34455	T15S, R8W, SLM. Section 2 - All Section 16 - All Section 32 - All	1922.72 acres
ML 34456	T15S, R9W, SLM. Section 16 - All Section 32 - All Section 36 - All	1920.00 acres

TERMINATION OF THE LANSDALE UNIT

This office has received information from Arlyne Lansdale telling of the Lansdale Unit Agreement and informing us that this unit was terminated by the United States Geological Survey effective July 17, 1979. The records of the following leases should be noted to show this termination:

ML 25846 Arlene Lansdale
ML 26060 Arlene Lansdale
ML 33529 Arlene Lansdale

The terms of ML 25846 and ML 26040 will be extended to July 17, 1981, by the termination of this unit. The term of ML 33529 will not be effected by this unit termination. Upon recommendation of Mr. Prince, the Director accepted the termination of this unit.

AUGUST 27, 1979

REQUEST FOR EXTENSION OF DRILLING REQUIREMENT UNDER GEOTHERMAL STEAM LEASE

ML 31117

Chevron USA, Inc., operator under the geothermal steam lease listed above, has requested a five-year extension in which to commence drilling operations under this geothermal steam lease. This lease was issued October 21, 1974, for a term of ten years. Section 10 of these lease provides as follows:

10. Development of Leasehold Estate: Lessee agrees to commence drilling operations on a well at an appropriate location within the leasehold estate within five (5) years from the date hereof, and to prosecute the drilling with reasonable diligence until products are discovered in sufficient commercial potential, or to a depth below which further drilling would be unprofitable in the written opinion of the Lessee issued to the Lessor. Such five (5) year period may be extended by the Lessor for a period not to exceed five (5) years upon written application by Lessee showing good cause therefor not more than ninety (90) days nor less than thirty (30) days prior to expiration of the initial five (5) year period. At any time within said five (5) year period, Lessee may surrender its rights under this lease and agreement. Lessee also shall have the right to drill such well or wells on the leasehold estate at such location or locations deemed desirable by Lessee upon thirty (30) days notice in writing, which location or locations shall not unreasonably interfere with rights of holders of lease or leases and special use permits from the State of Utah. No well shall be drilled within 100 feet of the boundary line of the leasehold nor within 100 feet of any building on the surface of the leasehold without written permission of the Lessor.

Chevron USA, Inc., has been active in geothermal exploration in Southwestern Utah; and these leases are part of a larger block of State, Federal, and private lands being explored by Chevron USA, Inc. During the period since the issuance of ML 31117 Chevron has spend \$76,564 for geological and geophysical work. Said work included general geological study, dipole-dipole electrical survey, and the drilling of two temperature gradient holes to depths of 556 and 1000 feet.

Chevron USA, Inc., has been diligent in conducting geothermal exploration in Southwestern Utah; therefore, upon recommendation of Mr. Prince, the Director approved the five-year extension of the drilling requirement of ML 31117.

RIGHT OF WAY - APPROVED

RIGHT OF ENTRY....REQUEST FOR GEOPHYSICAL PERMIT IN UTAH LAKE

R/W No 1801

PhotoGravity Company, Houston, Texas, has requested permission to conduct a geophysical gravity survey on the bed of Utah Lake, beginning approximately September 15, 1979. The purpose of this survey is to outline areas that might be prospective areas for oil and gas exploration.

This survey is different from the normal seismic surveys with which this office has dealt in the past in that they do not use any explosions or other sound-producing devices; they simply measure the attraction of the earth's gravitational field with a sensitive gravity meter. The equipment to be used will be a flat-bottom boat, which will be used to traverse the entire lake. The company proposes to take gravity readings to cover the entire lake area. The gravity readings are made by lowering the gravity meter to the lake floor, and it takes about two to five minutes for each reading. Since the boat cannot work in water shallower than 2 to 3 feet, some of the area will be done by helicopter, or on small three-wheeled motorbikes, or on foot.

CONTINUED ON PAGE NO 7

AUGUST 27, 1979

REQUEST FOR GEOPHYSICAL PERMIT IN UTAH LAKE
RIGHT OF ENTRY - R/W No. 1801 Continued

Upon recommendation of Mr. Prince, the Director approved this Right of Entry subject to the following conditions:

1. Payment of a fee of 1,000.
2. Receiving permission from the Division of Parks and Recreation prior to entering on any of the lands around the lake or on the lake which are administered by the Division of Parks and Recreation.
3. Receiving permission from the Division of Wildlife Resources before entering upon any of the area administered by the Division of Wildlife Resources around all of the lake.

REQUEST FOR EXTENSION OF TIME ON GEOPHYSICAL SURVEY
RIGHT OF ENTRY - R/W No. 1767

The Director, on June 11, 1979, approved a request to conduct a gravity survey on the bed of the Great Salt Lake by PhotoGravity Company. The time allowed for the completion of this survey was August 31, 1979. PhotoGravity Company has requested that because of technical difficulties they have had on the Great Salt Lake, they will be unable to complete the project by this date; and they have requested an extension of the term of this survey until October 31, 1979. Upon recommendation of Mr. Prince, the Director approved this extension.

RIGHT OF WAY - APPROVED
RIGHT OF ENTRY

R/W No. 1799 The Buzzards Motorcycle Club, 260 South Second West, Tooele, Utah 84074 has applied for a permit to use State land for a cross Country motorcycle race across State land in

T14S, R2W, Secs 16 and 32,

The fee is \$50.00 per section, plus a \$20.00 application fee, a total of \$120.00. The race is to be held September 8 and 9. Upon recommendation of Mr. Higgins, the Director approved this Right of Entry with an expiration date of September 30, 1979.

RIGHT OF WAY - APPROVED
RIGHT OF ENTRY

R/W No. 1800 Geophysical Services, Inc., Party 1742, P.O. Box 862, Evanston, Wyo. 82930, has requested a right of entry to conduct a portable dynamite air surface-type seismic exploration program on State land in Rich county.

T10N, R7E, Sec 36

Upon recommendation of Mr. Wall, the Director approved this Right of Entry with an initial payment of \$300.00, plus a \$20.00 application fee, total of \$320.00.

AUGUST 27, 1979

TIMBER APPLICATIONS

RAM

T/A # 540

Paul Hansen, 1780 Cahoon Avenue, Ogden,
Utah 84401

290 Live Aspen Seedlings - Total Cost
\$300.00

Township 26 South, Range 25 East, SLM
Sections 34 and 35

T/A # 541

Bruce Roberts, 426 Polk Avenue, Ogden,
Utah 84404

290 Live Aspen Seedlings - Total Cost:
\$300.00

Township 26 South, Range 25 East, SLM
Sections 34 and 35

T/A 542

Allen B. Combe, 3977 South 700 West,
Ogden, Utah 84403

290 Live Aspen Seedlings - Total Cost:
\$300.00

Township 26 South, Range 25 East, SLM
Sections 34 and 35

T/A # 543

Arthur B. Combe, 2085 East 6550 South,
Ogden, Utah 84403

290 Live Aspen Seedlings - Total Cost:
\$300.00

Township 26 South, Range 25 East, SLM
Sections 34 and 35

T/A # 544

Robert Anderson, Koosharem, Utah 84404

99 Cords of Aspen - Total Cost: \$307.00

Township 29 South, Range 1 West, SLM
Sections 2 and 3 Piute County

Upon recommendation of Mr. Miles, the Director approved these Timber Applications subject to the terms and conditions to be included in each contract.

<u>INTEREST RATES</u> <i>PDM</i>	<u>CURRENT WEEK</u>	<u>YEAR AGO</u>
Prime Rate	12.00	8.75
Federal Funds	10.23	7.49
Discount Rate	10.50	7.00


WILLIAM K. DINEHART, DIRECTOR
DIVISION OF STATE LANDS


VERNA A. PETERSEN, RECORDS SUPERVISOR